agreed upon costs pursuant to \$735.14(a).

- (b) Amount of administration and enforcement grants. (1) If no program development grant has been awarded, the Director or his authorized designee may approve the first administration and enforcement grant for not more than 80 percent of the agreed upon costs for administration and enforcement of the program.
- (2) If a program development grant has been awarded for only 1 year, the Director or his authorized designee may approve an administration and enforcement grant for 60 percent of the agreed upon costs for administration and enforcement of the program.
- (3) If a program development grant has been awarded for more than 1 year but less than 2 years, the Director or his authorized designee may approve the first administration and enforcement grant for 60 percent for that proportion remaining in the second year and for 50 percent for the proportion allocated to the third year.
- (4) For the third and following years, the Director or his authorized designee may approve administration and enforcement grants for 50 percent of the agreed upon costs for administration and enforcement of the program.

(Secs. 201, 501, 503, 705, Pub. L. 95–87, 91 Stat. 450, 467, 470, 520 (30 U.S.C. 1211, 1251, 1253, 1295))

[42 FR 62706, Dec. 13, 1977. Redesignated at 44 FR 15312, Mar. 13, 1979, and amended at 45 FR 2804, Jan. 14, 1980]

## § 735.16 Special provisions for States with cooperative agreements.

- (a) Eligibility. The Director may approve additional grants to States which have cooperative agreements pursuant to §211.75 of this title for State regulation of surface coal mining and reclamation operations on Federal lands. This includes—
- (1) States which had cooperative agreements on August 3, 1977, which have been modified to comply with the initial regulatory program; and
- (2) States which enter into cooperative agreements following approval of the State's regulatory program.
- (b) Coverage of grants. An agency may use cooperative agreement grants to

carry out the functions assigned to the State under the agreement.

- (c) Amounts of grants. The Director or his authorized designee may approve grants for the approximate amount which he determines the Federal Government would have expended for regulation of coal mining on the Federal lands being regulated by the State, except that no grant may exceed the actual costs to the State.
- (d) *Grant periods*. The Director or his authorized designee shall normally approve a grant for a period of one year or less. Consecutive grants shall be awarded to fund approved programs.
- (e) Application procedures. (1) States with cooperative agreements in effect on August 3, 1977, may apply for cooperative agreement grants using the procedures set forth in §735.18 (a), (b) and (d).
- (2) States with cooperative agreements established in conjunction with approved State regulatory programs may apply for cooperative agreement grants by including a supplement to an annual administration and enforcement grant application submitted according to §735.18. The State shall include in the supplemental section:
- (i) A separate budget summary for the costs of the cooperative agreement in the format specified by OSM; and
- (ii) A separate narrative, in the format specified by OSM, describing the specific activities required by the cooperative agreement for the period for which the grant is requested.
- (f) Other requirements. The procedures and requirements set forth in §§ 735.17 through 735.26 are applicable to cooperative agreement grants.

[42 FR 62706, Dec. 13, 1977; 43 FR 2722, Jan. 19, 1977. Redesignated at 44 FR 15312, Mar. 13, 1979, and amended at 47 FR 38491, Aug. 31, 1982]

## § 735.17 Grant periods.

The Director or his authorized designee shall normally approve a grant for a period of one year or less. Consecutive grants shall be awarded to fund approved programs.

[47 FR 38491, Aug. 31, 1982]